

VZCZCXRO7485
RR RUEHPA
DE RUEHNM #1075/01 2651622
ZNY CCCCC ZZH
R 221622Z SEP 06
FM AMEMBASSY NIAMEY
TO RUEHC/SECSTATE WASHDC 2927
INFO RUEHZK/ECOWAS COLLECTIVE
RUEHAR/AMEMBASSY ACCRA 0387
RUFGCIN/CDR USEUCOM VAHINGEN GE

C O N F I D E N T I A L SECTION 01 OF 04 NIAMEY 001075

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SUBJECT: POLITICAL DECENTRALIZATION IN NIGER: (STILL) A
LONG ROAD AHEAD

REF: 05 NIAMEY 865

Classified By: POLITICAL OFFICER ZACH HARKENRIDER FOR REASON 1.4 (D)

SUMMARY

11. (C) More than two years have passed since Nigeriens elected local councils to govern the country's 265 communes. The advent of political decentralization - a subject of discussion for most of the nation's first four decades of independence - was greeted with excitement by ordinary Nigeriens who felt that locally elected governments would help them to reach their development goals in areas such as education, health, and hydrology more effectively and democratically than had the old system of rule by centrally appointed civil servants and traditional chiefs (reftel). Since the elections, international donors, including the USG, have matched their support for the concept of local democracy with resource commitments aimed at local communities' training and development needs. However, two years away from the next set of commune elections, (scheduled for the summer of 2008) a donor-funded stock-taking has revealed just how far Niger still is from realizing the promise of this important democratization initiative. Moreover, the report suggests that the largest problem facing the country's local democratic governments is the Government of Niger's (GON) tepid enthusiasm for a process to which it was never sufficiently committed. END SUMMARY.

THE EU'S "COMPTE RENDU" - NOT ENOUGH MONEY,
COORDINATION, OR ATTENTION

12. (U) On September 20, the European Union released a "provisional report on the transfer of authority to commune governments." This scathing review offered few positive points, and stressed the gap between rhetorical and legal commitments to decentralization with practice on the ground. Commune governments, it argued, still lacked meaningful sources of revenue; sufficient staff and training; equipment and infrastructure; and, the authority to fulfill the responsibilities the law bestowed upon them. Much of

the problem derives from the fact that many decentralization laws (passed in stages, mostly between 1998 and 2003) require administrative decrees to clarify and enable implementation. Due to bureaucratic confusion, the executive branch of the GON has yet to draft many of these decrees; others are still pending before the Council of Ministers.

13. (U) The case of infrastructure and equipment transfer from the central administration to the communes is illustrative. A decree envisioned by the law has been drafted, but not forwarded to the Council of Ministers. Moreover, an inventory of the goods to be transferred, their quantities and condition, has yet to be conducted. Revenue streams are similarly problematic. Communes are supposed to derive funds from central government revenue sharing and their own local fees, fines, and taxes on things like markets, licenses, property, and construction. However, the communes have yet to truly benefit from either source of revenue. While the laws authorizing revenue sharing have been passed, the decrees detailing its functioning have not been developed. The EU study stated that no one in the process knew when or if those

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decrees would be promulgated.

14. (U) Decentralization law lists eleven separate taxes that are supposed to accrue to the communes. Absent sufficient training and staff (in particular tax collectors and recorders), communes are still relying on the GON to collect most taxes for them - and the GON is keeping 70-80% or more of the revenues. Only in cases where the communes themselves are in a position to collect taxes directly (and examples are limited to the head tax and local license fees) do they receive most of the revenue.

15. (U) The EU report listed more general concerns as well: Decentralization laws are not clear, and are rife with lacunae; all communes need more training on everything, but not all have international partners to assist them. NOTE: Approximately 70 of Niger's 265 communes have received no donor support, while all others have received either steady or episodic assistance. END
NOTE Other problems abound. Some urban communes are expected to fund certain costs of the central government's Governors and Prefects based within their jurisdictions, even though these officials are not, in point of law, their responsibility. At the same time, the GON - which is supposed to fund the salaries of civil servants assigned to the communes while local governments pick up certain other

expenses -
is not maintaining its side of the financial bargain.
Finally, the
report noted that too many actors in the process still view
the
communes as an inconvenience or simply as implementers of
decisions
made at a higher level, rather than as real representative
actors in
their own right. The Governors, Prefects, Sub-Prefects,
relevant
Ministries, and traditional chiefs have yet to fully
understand their
relationships to the commune governments and vice versa, even
though
this is one of the points that most donor supported trainings
have
attempted to elucidate.

¶6. (C) COMMENT: In general, the EU report painted a picture
of
confusion and a near total lack of coordination within the
GON.
Communes are empowered on paper, but lack the resources
necessary to
take charge of their responsibilities. The EU report
concluded with
an "urgent plan" to revive the process. The transfer of
meaningful
resources, the revision of texts, and the promulgation of
necessary
decrees were all recommended as short term solutions, and
these do
suggest a practical way forward. If donors give the GON a
solid push,
it could accomplish all of these items within the reasonable
six-month
timeline outlined by the EU team. However, while the EU
report's
depressing conclusions merited hearing, the GON did a poor
job of
listening. END COMMENT

GON REACTION ILLUMINATES CAUSES OF BUREAUCRATIC CONFUSION

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¶7. (C) During the EU presentation, the dais was occupied by
the
highest-level GON official in the room - the Acting High
Commissioner
for the Modernization of the State (HCMS). "Acting" for over
a year,
the HCMS is head of a small office with limited resources.
Its most
qualified personnel were transferred to other administrative
functions
in the summer of 2005, and its name changed from High
Commission for
Decentralization and Modernization of the State. At the same
time,
other GON organs began to lay claim to its functions. The
Ministry
of the Interior and Decentralization and the newly created
High
Council for Territorial Collectivities are both charged with
administering the decentralization process, while a special
counselor
in the Prime Minister's Office has a planning and
conceptualization
role. Though their duties are somewhat distinct, they
collectively lay
claim to all of the former bureaucratic territory of the
HCMS.

Officials of both organizations have spoken dismissively of the HCMS, and stressed their own leadership roles in the process in meetings with Emboffs. This confusion and the HCMS's weakened role suggest that the GON is both unclear as to where lines of authority on decentralization are drawn, and unwilling to consistently commit high-level attention to the issue.

COMMENT: WHY DECENTRALIZATION STILL MERITS DONOR SUPPORT

18. (C) Very little of the foregoing was new to Poloff. The fact that we have heard all of this before speaks to the intractability of these problems in the Nigerien context, but also to the GON's half-hearted implementation of a regime whose strongest supporters have always been "outsiders," - international donors seeking greater accountability, participation, and transparency; Tuareg and Toubou rebels and other ethnic minorities seeking greater political control over their regions; good governance advocates; and, ordinary Nigeriens at the village level. Traditional elites ranging from the chieftaincy to the secular administrative authorities have never been fully "sold" on the process. Absent a genuine commitment on the part of the GON to making local governments work for their people, Niger may take many more years to pass its latest democratization test. It is important, however, that it do so. In spite of the dismal progress made so far, decentralization merits our continued support. Post believes that supporting this process should be central to any country assistance strategy. Post believes that the commune - exempt from Nethercutt Amendment restrictions on assistance and more reliable than the central government in matter of probity and transparency - should become our key development focal point and partner.

19. (C) Functional local governments where citizens - particularly minorities with histories of alienation from the state like the Tuaregs and Toubous - have a say in how their communities are taxed, policed, developed, and governed are still viewed as more legitimate

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and desirable by ordinary Nigeriens than the old system of top-down administration. If the GON's writ is to extend into the fragile post-conflict zones of the north and east, it will be via participatory institutions like commune governments and rural radio networks, that bring people and their government closer together. Moreover, given the sense of ownership that attaches to local resources when they are managed by local people, decentralization helps to minimize

corruption.

The donor community got this much right when it backed decentralization at the start of this decade. The EU study did not focus on donors' roles. However, reading between the lines suggests that Niger's international partners must do a better job of coordinating their actions, encouraging the GON to move the process forward, and providing resources that directly meet the challenges faced by the communes with regard to revenue and capacity.

110. (C) The USG's latest effort, via Trans Sahara Counter Terrorism Partnership (TSCTP) development funds, suggests the means by which this should be done. While European donors have shifted their focus toward central government capacity building since 2004-5 - and may thereby succeed in sorting out some of the incoherence that exists at that level - our \$1.1 million, two-year effort builds on our existing commitment to commune level intervention. It is designed to give commune governments a shot in the arm via training and microcredit loans that will catalyze revenue generating economic activities at the local level. With implementing partner Mercy Corps, we are focusing on some of the communes that need the most help - rural, nomadic communities in the ex-rebel belt of the Air and Aizawak. Getting local democracy right in these regions is about more than ensuring good governance in Niger, it is about stabilizing the country's most sensitive border zones. The stakes in that game are high enough to justify the sort of patient, long-term commitment to trial and error that can alone yield success in the face of the obstacles cited by the EU's report. END COMMENT
ALLEN